PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA COMMISSION DIRECTIVE

ADMINISTRATIVE MATTER		DATE	February 25, 2015
MOTOR CARRIER MATTER		DOCKET NO.	2013-42-S
UTILITIES MATTER	✓	ORDER NO.	

SUBJECT:

<u>DOCKET NO. 2013-42-S</u> - <u>Application of Palmetto Utilities, Incorporated for Adjustment of Rates and Charges for Sewer Service</u> - Discuss this Matter with the Commission.

COMMISSION ACTION:

This case has been remanded to the Commission from the Supreme Court for consideration of a proposed Settlement Agreement on Appeal, which was signed by all parties in the case. The Agreement provides that Palmetto Utilities should be allowed to earn additional revenues which result in an operating margin of 17.98%. This is the same margin approved by us in the original Order in this Docket, Order No. 2013-660. The Agreement also provides for a reduction in single family equivalents (or SFEs) for all fast-food restaurants. This reduction is accomplished by eliminating from the equivalency factors the ten gallons per car of wastewater associated with cars served in drive-thrus. To accomplish this goal, the Agreement provides that the Intervenors would receive a refund of the portion of their bills paid since the issuance of Order No. 2013-660. In order to give effect to this and other terms, the Agreement provides for a fifty cent increase in Palmetto Utilities' monthly rate to \$36.50 per SFE, which would allow the Company to earn additional total annual service revenues of \$654,395.

Upon remand to the Commission, a notice of hearing was issued. The hearing was held on January 22, 2015, where witnesses from both Palmetto Utilities and the Office of Regulatory Staff appeared to explain the terms of the Settlement Agreement, and to answer questions. Representatives of the Intervenors in the case were also present at the hearing. The parties asserted in the Settlement Agreement and in testimony that the Agreement serves the public interest, and constitutes a fair, reasonable, and full resolution of all issues in the docket. Further, the parties state that the Agreement results in just and reasonable rates and charges. Based on the entire record in this case, including, but not limited to the testimony of the witnesses, I move that we approve the Settlement Agreement on Appeal as filed, based on the fact that it results in just and reasonable rates and charges, and that the Agreement is in the public interest.

PRESIDING	: <u>Hall</u>			SESSION: Regular	TIME: 2:00 p.m.
	MOTION	YES	NO OTHER		
ELAM		✓			
FLEMING		✓			
HALL		✓			
HAMILTON	✓	✓			
HOWARD		✓			

RANDALL WHITFIELD		✓		
(SEAL) SERVICE COMPA SOUTH CAROLI	WO155			RECORDED BY: J. Schmieding